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FOR INFORMATION

GREETING CARD AND RELATED OPERATIONS

Financial report and accounts for the year ended 30 April 1994

SUMMARY

The present document presents the results of UNICEF Greeting Card and related Operations (GCO) for the year ended 30 April 1994.

Accounts for the two income-generating activities of GCO are maintained and presented separately in statement I.

The net operating income from the sale of UNICEF greeting cards and other products was $63.4 million, representing a 45.9 per cent return on gross proceeds. In 1993, 154 million cards were sold, an increase of 4 million cards (2.7 per cent) compared to 1992. Gross proceeds, however, decreased from $151.0 million in 1992 to $138.1 million in 1993. This reduction was attributable mainly to the unfavourable effect of the strengthening of the United States dollar against other major currencies.

The net operating income from private sector fund-raising activities was $46.7 million, an increase of $5.4 million (12.9 per cent) compared to 1992. After deducting the Central and Eastern European National Committees Development Programme expenditure of $0.8 million, the consolidated net operating income of GCO was $109.3 million, $2.2 million (2.0 per cent) lower than in 1992.

* E/ICEF/1995/13.

After allowing for an exchange rate adjustment of $8.5 million and unfavourable prior years' adjustments of $1.4 million, the GCO consolidated net income contribution to UNICEF general resources was $99.4 million, a decrease of $7.8 million, or 7.3 per cent compared to 1992. In addition, $40.5 million ($23.5 million in 1992) was raised from private sector fund-raising activities which were earmarked by partners for allocation to supplementary-funded projects.

A country-by-country performance report for the sale of greeting cards and other products, for the five-year period 1989-1993, with a detailed analysis of 1993, is contained in annex I. A country-by-country analysis of net proceeds raised from private sector fund-raising activities is presented in annex II.

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FOREWORD

I am pleased to report that in 1993 the Greeting Card and related Operations (GCO) were able to achieve a net contribution to UNICEF general resource income of $99.4 million and a sales volume of 154 million cards.

This success is due to the work of hundreds of thousands of individuals around the world. Our thanks go to the National Committees for UNICEF and other cooperating groups whose staff and volunteers sold UNICEF cards and other products; to the hundreds of artists, museums and art collectors whose works were made available, at no charge, for greeting card designs; and to the millions of individuals who purchased UNICEF cards and other products and who donated their time and money to the cause of UNICEF throughout the year. Equally important, the above achievements became possible because of the successful fund-raising efforts undertaken by the National Committees for UNICEF and UNICEF field offices, and the millions world wide who responded with their individual contributions.

(Signed) Richard JOLLY
Acting Executive Director

I. FINANCIAL REPORT FOR THE YEAR ENDED 30 APRIL 1994

A. An overview of the results

1. The 1993 GCO campaign resulted in a consolidated net income contribution to UNICEF general resources of $99.4 million. This compares with $107.2 million in 1992, a decrease of $7.8 million (7.3 per cent). The $99.4 million contribution to UNICEF general resources consists of $63.4 net operating income from the sale of UNICEF greeting cards and other products; $46.7 million net operating income from private sector fund-raising activities, less the Central and Eastern European National Committees Development Programme expenditure of $0.8 million; and non-operating expenditures of $9.9 million, which include $8.5 million exchange rate adjustments and $1.4 million prior years' adjustments.

2. A total of 154 million cards were sold in 1993, an increase of 4 million cards (2.7 per cent) compared to 1992. In spite of this increase in volume, gross proceeds declined from $151.0 million in 1992 to $138.1 million, a decrease of $12.9 million (8.5 per cent). This reduction was due mainly to the unfavourable effect of the strengthening of the United States dollar against other major currencies.

3. The net operating income for greeting cards and other products in 1993 was $63.4 million (45.9 per cent return on gross proceeds), a decrease of $7.9 million (11.1 per cent) compared to 1992.

4. The net operating income from private sector fund-raising activities related to general resources increased from $41.3 million in 1992 to $46.7 million in 1993, an increase of $5.4 million (12.9 per cent). In addition, $40.5 million ($23.1 million in 1992) was raised from private sector fund-raising activities which were earmarked, by partners, for allocation to supplementary-funded projects.

5. More detailed explanations are provided in the notes to the financial statements (see paras. 7-37 below) and in the five-year (1989-1993) overview of country-by-country performance from the sale of UNICEF greeting cards and other products presented in annex I and the country-by-country analysis of net proceeds generated from fund-raising activities from the private sector in annex II.

B. Financial statements for the year ended 30 April 1994

6. The three financial statements that follow are supported by the notes to the financial statements, including a summary of significant accounting policies (paras. 38-46 below), which are considered an integral part of the financial report.

STATEMENT I

Statement of income and expenditure for the year ended 30 April 1994

(in thousands of United States dollars)

	Note	1993 season 1 May 1993 - 30 April 1994	%	1992 season 1 May 1992 - 30 April 1993	%	Variance increase/(decrease)	%
Number of cards sold (millions)		154		150		4	2.7
Gross proceeds - GCO products	1	138,093	100.0	150,987	100.0	(12,894)	(8.5)
Less: Commissions and direct expenses at field offices	2	33,922	24.6	38,469	25.5	(4,547)	(11.8)
Net proceeds		104,171	75.4	112,518	74.5	(8,347)	(7.4)
Less: Cost of goods delivered	3	29,002	21.0	29,034	19.2	(32)	(0.1)
		75,169	54.4	83,484	55.3	(8,315)	(10.0)
Less: Operating costs	4	19,222	13.9	18,725	12.4	497	2.7
Provision for uncollectible accounts receivable	5	21	0.0	810	0.5	(789)	(97.4)
		55,926	40.5	63,949	42.4	(8,023)	(12.5)
Add: Other income	6	7,459	5.4	7,336	4.8	123	1.7
Net operating income - GCO products	7	63,385	45.9	71,285	47.2	(7,900)	(11.1)
Net operating income - Private sector fund-raising a/	8	46,699		41,345		5,354	12.9
Central and Eastern European National Committees Development Programme	9	(801)		(1,156)		(355)	(30.7)
Net operating income - consolidated	10	109,283		111,474		(2,191)	(2.0)
Less: Exchange rate adjustment	11	8,532		4,340		4,192	96.6
Prior years' adjustments	12	1,345		(84)		1,429	1701.6
Net income - consolidated	13	99,406		107,218		(7,812)	(7.3)

The accompanying notes form an integral part of this statement and should be read in conjunction with it.

a/ Excluding $40.5 million allocated to supplementary funds, compared to $23.1 million in 1992 (see para. 19). This is shown in the UNICEF financial report.

/...

Lennart Aberg, Comptroller
(Signed)

Richard Jolly, Acting Executive Director
(Signed)

STATEMENT II

Statement of assets, liabilities and fund balance as at 30 April 1994

(In thousands of United States dollars)

	Note	As at 30 April 1994		As at 30 April 1993		Increase/(decrease)	
ASSETS							
Cash	14		986		1,122		(136)
Accounts receivable	15	164,168		144,033		20,135	
Less: Allowance for exchange rate fluctuation and uncollectible accounts		16,446		15,183		1,263	
Net accounts receivable	16		147,722		128,850		18,872
Inventory	17		20,854		19,269		1,585
Prepaid expenses	18		139		845		(706)
Capital assets, net of accumulated depreciation	19		1,601		1,299		302
Total assets			171,302		151,385		19,917
LIABILITIES							
Accounts payable	20	7,001		6,326		675	
UNICEF inter-office account	21	64,895		37,841		27,054	
Total liabilities			71,896		44,167		27,729
FUND BALANCE	22		99,406		107,218		(7,812)
Total liabilities and fund balance			171,302		151,385		19,917

Lennart Aberg, Comptroller
(Signed)

Richard Jolly, Acting Executive Director
(Signed)

STATEMENT III

Statement of the actual results for the year ended 30 April 1994 compared with the approved budget

(In thousands of United States dollars)

	1993 season					
	Actual	%	Budget	%	Variance	%
Number of cards sold (millions)	**154**		**162**		**8**	**4.9**
Gross proceeds - GCO products	138,093	100.0	154,000	100.0	(15,907)	(10.3)
Less: Commissions and direct expenses at field offices	33,922	24.6	38,200	24.8	(4,278)	(11.2)
Net proceeds	104,171	75.4	115,800	75.2	(11,629)	(10.0)
Less: Cost of goods delivered	20,259	14.7	19,807	12.9	452	2.3
Freight, duties and taxes	2,967	2.1	3,749	2.4	(782)	(20.9)
Promotion materials	5,776	4.2	5,971	3.9	(195)	(3.3)
Total cost of goods delivered	29,002	21.0	29,527	19.2	(525)	(1.8)
Less: Product Line and Marketing	6,859	5.0	8,826	5.7	(1,967)	(22.3)
Operations and Finance	11,423	8.2	13,960	9.1	(2,537)	(18.2)
Director's Office	940	0.7	964	0.6	(24)	(2.5)
Total operating costs	19,222	13.9	23,750	15.4	(4,528)	(19.1)
Less: Provision for uncollectible accounts	21	0.0	0	-	21	-
Add: Other income	7,459	5.4	7,800	5.1	(341)	(4.4)
Net operating income - GCO products	**63,386**	**45.9**	**70,323**	**45.7**	**(6,938)**	**(9.9)**
Net operating income - Private sector fund-raising a/	46,699		31,300		15,399	49.2
Central and Eastern European National Committees Development Programme	(801)		(1,000)		199	(19.9)
Net operating income - consolidated	109,283		100,623		8,660	8.6
Less: Exchange rate adjustment	8,532		0		8,532	-
Prior years' adjustments	1,345		0		1,345	-
Net income - consolidated	99,406		100,623		(1,217)	(1.2)

The accompanying note 23 forms an integral part of this statement and should be read in conjunction with it.

a/ Excluding $40.5 million allocated to supplementary funds in 1993, compared to $23.1 million in 1992 (see para. 19). This is shown in the UNICEF financial report.

Lennart Aberg, Comptroller
(Signed)

Richard Jolly, Acting Executive Director
(Signed)

C. Notes to the financial statements

Statement I

Note 1. Gross proceeds from product sales

7. This shows the total sales value of all GCO products sold during the year. Sales by major product category compared to 1992 actual are shown below:

	(In millions of United States dollars)			
			Variance	
	1993	1992	$	%
Cards	115.2	122.3	(7.1)	(5.8)
Calendars	3.6	4.6	(1.0)	(21.8)
Stationery	8.2	10.2	(2.0)	(19.9)
Educational materials	6.3	7.8	(1.5)	(18.8)
Other products	4.8	6.1	(1.3)	(21.0)
Total	138.1	151.0	(12.9)	(8.5)

8. Gross proceeds amounted to $138.1 million, a decrease of $12.9 million over 1992 (8.5 per cent). The reduction in gross proceeds is attributable mainly to the unfavourable effect of the strengthening of the United States dollar against other major currencies.

9. Gross proceeds by sales channel for 1993 compared to 1992 were:

	(In millions of United States dollars)			
			Variance	
	1993	1992	$	%
National Committees and other sales partners	122.9	134.6	(11.7)	(8.7)
UNICEF field offices	15.2	16.4	(1.2)	(7.2)
Total	138.1	151.0	(12.9)	(8.5)

10. A detailed analysis of sales and performance by country for the sale of greeting cards and other products is contained in annex I.

Note 2. Commissions and direct expenses at UNICEF field offices

11. This item consists of the amounts retained by the National Committees and other partners, commissions paid to consignees and direct selling expenses at UNICEF field offices. This amounted to $33.9 million (24.6 per cent of gross proceeds), or a decrease of $4.6 million (11.8 per cent) when compared to 1992 actual. A breakdown is given below:

	(In millions of United States dollars)			
			Variance	
	1993	1992	$	%
National Committees and other partners	30.9	33.9	(3.0)	(8.8)
UNICEF field offices	3.0	4.6	(1.6)	(34.7)
Total	33.9	38.5	(4.6)	(11.8)

Note 3. Cost of goods delivered

12. The cost of goods delivered, including promotion materials, freight, duties and taxes, was $29.0 million, the same as in 1992. To support National Committees' and other sales partners' outreach and growth, the 1993 distribution of promotion materials increased by $0.2 million over 1992, while net cost of goods delivered also increased by $0.4 million over 1992. In spite of the increases in both the costs of goods delivered and promotion materials, the cost of freight, duties and taxes decreased by $0.6 million (16.7 per cent). Details are presented below:

	(In millions of United States dollars)			
			Variance	
	1993	1992	$	%
Costs of goods delivered	20.2	19.8	0.4	2.0
Freight, duties, tax	3.0	3.6	(0.6)	(16.7)
Promotion materials	5.8	5.6	0.2	3.6
Total	29.0	29.0	(0.0)	(0.0)

Note 4. Operating costs

13. GCO operating costs charged to product sales included the operating costs of the product line and marketing group, the operations and finance group and the director's office. For 1993, they amounted to $19.2 million, an increase of $0.5 million (2.7 per cent) over 1992 actual. As a percentage of gross proceeds, operating costs were 13.9 per cent, an increase of 1.5 per cent when compared to 19.2 per cent in 1992. Details of the operating costs are summarized below.

	(In millions of United States dollars)			
			Variance	
	1993	1992	$	%
Product line and marketing	6.9	6.3	0.6	9.5
Operations and finance	11.4	11.0	0.4	3.6
Director's office	0.9	1.4	(0.5)	(35.7)
Total	19.2	18.7	0.5	2.7

Note 5. Provision for uncollectible accounts receivable

14. The provision for uncollectible accounts receivable consists of accounts receivable that may become irrecoverable, which for 1993 amounted to $21,000 compared to $810,000 for 1992. Accounts receivable deemed to be irrecoverable are written off against the allowance for uncollectible accounts receivable account. Nevertheless, GCO continues its efforts to collect on these amounts.

Note 6. Other income

15. Other income comprises the following:

(a) Income from licensed products, which includes royalties from special programmes, income from Nippon Telegraph and Telephone Corporation's Pressed Flower Telegram Programme in Japan and income from the sale of National Committee products and other items;

(b) Donations, which represent contributions generated through GCO brochures/order forms;

(c) Miscellaneous income, which includes bank interest, discounts on purchases, sale of obsolete equipment and miscellaneous proceeds.

16. Other income in 1993 amounted to $7.4 million, an increase of $0.1 million (1.7 per cent) over 1992. A comparison between 1993 and 1992 is presented below.

	(In millions of United States dollars)			
			Variance	
	1993	1992	$	%
Licensed products	4.4	4.5	(0.1)	(2.2)
Donations	1.5	1.7	(0.2)	(11.8)
Miscellaneous income	1.5	1.1	0.4	36.4
Total	7.4	7.3	0.1	1.4

Note 7. Net operating income - GCO products

17. For the 1993 campaign, the net operating income for GCO products was $63.4 million. This was $7.9 million (11.1 per cent) less than 1992 actual, which was attributable mainly to the unfavourable effect of the strengthening of the United States dollar against other major currencies. As a percentage of gross proceeds, the 1993 net operating income is 45.9 per cent, a decrease of 1.3 per cent when compared to 47.2 per cent in 1992.

Note 8. Net operating income - private sector fund-raising

18. As presented in the table below, the net operating income from private sector fund-raising activities in 1993 amounted to $46.7 million, $5.4 million (13.0 per cent) higher than 1992. This is net of the operating costs of the private sector fund-raising group, the costs of the Fund-raising Development Programme (FDP) and the costs related to research and development.

19. In addition, $40.5 million was earmarked to various UNICEF supplementary-funded projects. Inasmuch as the procedural aspect in the reporting of supplementary funds income through GCO had not yet been implemented in 1993, the $40.5 million earmarked by partners for supplementary funds projects is based on the cash accounting reports received from partners and is shown only as a footnote to statement I in this financial report and included as income in the consolidated UNICEF financial report.

20. In 1993, the private sector fund-raising activities generated for UNICEF total net proceeds of $59.2 million (see annex II). This represented an increase of $8.9 million, or 17.8 per cent compared to 1992 actual. This increase in net proceeds was realized through new and expanded private sector fund-raising activities implemented by National Committees and UNICEF field offices.

21. To enable GCO to fulfil its mandate in private sector fund-raising activities, the Executive Board authorized the implementation of a three-year FDP amounting to $12 million. The objective of this programme was to increase the capacity of National Committees and UNICEF field offices to build a broader support base in raising funds from the private sector (see E/ICEF/1991/AB/L.6 and E/ICEF/1991/15, decision 1991/35). In 1993, the last year of the

three-year programme, GCO provided its partners $7.0 million from FDP. FDP was a major factor which contributed to the record increase in private sector fund-raising net proceeds in 1993. (See the GCO provisional report for the 1994 season (E/ICEF/1995/AB/L.7) for a detailed report on FDP.)

22. To develop new methods and test fund-raising campaigns in 1993, $1.3 million were spent for research and development. This amount was $0.9 million higher than 1992 actual.

Net operating income - Private sector fund-raising
(In thousands of United States dollars)

	1993	1992 a/	Variance Increase (decrease) $	Variance Increase (decrease) %
Net proceeds	59 211 b/	50 264 b/	8 947	17.8
Operating costs				
Professional project staff	1 919	1 371	548	40.0
General Service project staff	940	481	459	95.4
Short-term staff	34	46	(12)	(26.8)
Travel, conferences and liaison	351	167	184	110.1
Support services and materials	553	154	399	259.0
Rent, equipment, supplies and freight	429	281	148	52.8
Total operating costs	4 226	2 500	1 726	69.0
Research and development				
Research and development	1 253	372	881	236.8
Fund-raising Development Programme	7 033	3 545	3 488	98.4
Production and events organization costs	0	2 502	(2 502)	(100.0)
Total research and development	8 286	6 419	1 867	29.1
Net operating income	46 699	41 345	5 354	13.0

a/ This has been restated and includes income and expenditures for special fund-raising events.

b/ Excluding $40.5 million allocated to supplementary funds in 1993, compared to $23.1 million in 1992.

Note 9. Central and Eastern European National Committees Development Programme

23. In 1992, the Executive Board approved the Central and Eastern European National Committees Development Programme. The National Committees in this region were allowed to retain, in addition to the 25 per cent retention on gross proceeds, the 75 per cent of gross proceeds. The 75 per cent was intended to cover expenditures for raising awareness, general advocacy, information dissemination, sales network expansion and donor constituency-building. For 1993, the amount approved was $1.0 million. However, the actual expenditure was $0.8 million, $0.4 less than in 1992. This was due to the lower than projected gross proceeds, which was attributable to the economic conditions in this region.

Note 10. Net operating income - consolidated

24. The net operating income - consolidated from GCO product sales and private sector fund-raising activities amounted to $109.3 million in 1993, a decrease of $2.2 million (2.0 per cent) compared to 1992 actual. This represents GCO net operating income before non-operating charges, inter alia, exchange rate adjustments and prior years' adjustments.

Note 11. Exchange rate adjustment

25. This represents the net result after a 10 per cent provision for exchange rate fluctuations on outstanding non-United States dollar accounts receivable and the effect of the revaluation of assets and liabilities using the 30 April 1994 United Nations operational rate of exchange. The exchange rate adjustment in 1993 was a loss of $8.5 million, $4.2 million (96.6 per cent) higher than in 1992.

Note 12. Prior years' adjustments

26. In accordance with existing GCO accounting policy, non-recurring adjustments to proceeds related to prior years have been recorded as prior years' adjustments. For 1993, these adjustments amounted to an unfavourable $1.4 million.

Note 13. Net income - consolidated

27. After the net effect of exchange rate adjustments ($8.5 million) and prior years' adjustment ($1.4 million), the 1993 net income - consolidated from product sales and from private sector fund-raising activities was $99.4 million, a decrease of $7.8 million (7.3 per cent) compared to 1992 actual.

Statement II

Note 14. Cash

28. Cash ($1.0 million) consisted of balances in GCO bank accounts and petty cash at headquarters and at field offices.

Note 15. Accounts receivable

29. Accounts receivable include amounts due from National Committees and other sales partners for revenues from product sales, private sector fund-raising activities and royalties and miscellaneous receivables. The gross accounts receivable as at 30 April 1994 were $164.2 million, an increase of $20.1 million over 1992. The increase was due mainly to higher income from private sector fund-raising activities. Agreements with National Committees provide for payment of these balances by 31 August of each year following the campaign. The outstanding balance as at 31 December 1994 was $17.4 million.

Note 16. Net accounts receivable

30. In accordance with GCO accounting policy (see para. 45 below), an allowance to cover accounts receivable that are considered doubtful for collection and an allowance to cover the impact of exchange rate fluctuation on accounts receivables held in non-United States dollar currencies may be established. For 1993, the total allowance for exchange rate fluctuation and estimated uncollectible accounts amounted to $16.4 million. Net accounts receivable after deducting this allowance amounted to $147.7 million.

Note 17. Inventory

31. Inventory is stated at standard cost (raw materials, products in process, finished products and goods in transit) and, as at 30 April 1994, amounted to $20.9 million, an increase of $1.6 million compared to 1992. The increase was due basically to the production and shipment of products for the 1994 season. The inventory as at 30 April 1994 consisted of:

	(In thousands of United States dollars)	
	30 April 1994	30 April 1993
Raw materials	3 773	4 141
Products in process	2 222	2 676
Finished goods	9 997	10 490
Goods in transit	4 862	1 962
Total	20 854	19 269

Note 18. Prepaid expenses

32. These represented payments made to suppliers for the production of GCO products and promotion materials for 1994 and future campaigns. As at 30 April 1994, prepaid expenses amounted to $0.1 million, a decrease of $0.7 million compared to 1992.

Note 19. Capital assets

33. These are stated at cost, less accumulated depreciation (see summary of capital assets as at 30 April 1994 presented below). In accordance with GCO accounting policies, capital assets costing $0.1 million or more are capitalized and depreciated over their estimated useful life. The net increase of $0.3 million in capital assets over 1992 consisted of computer hardware.

	(In thousands of United States dollars)	
	30 April 1994	30 April 1993
Production machinery	566	566
Office equipment and leasehold improvements	1 835	1 317
Subtotal	2 401	1 883
Accumulated depreciation	(800)	(584)
Total	1 601	1 299

Note 20. Accounts payable

34. Total accounts payable as at 30 April 1994 amounted to $7 million, an increase of $0.7 million compared with 1992. Included in the total accounts payable were liabilities to suppliers and National Committees amounting to $1.3 million.

Note 21. UNICEF inter-office account

35. This represents the balance owed to UNICEF for monies advanced as working capital to GCO, which at 30 April 1994 was $64.9 million. GCO earnings each fiscal year-end are transferred to UNICEF via this account.

Note 22. Fund balance

36. This represents GCO earnings which are transferred to UNICEF general resources income annually. As at 30 April 1994, the fund balance was $99.4 million.

Statement III

Note 23. Comparison of 1993 actual results with budget

37. GCO performance in 1993 compared with the budget projections are as follows:

(a) Card sales were under budget by 8 million units, or 4.9 per cent;

(b) Gross proceeds of product line and marketing were under budget by $15.9 million, or 10.3 per cent due to the unfavourable effect of the strengthening of the United States dollar against other major currencies;

(c) Commissions including direct expenses at UNICEF field offices were $4.3 million (11.2 per cent) less than budget. As a percentage of gross proceeds, commissions were 24.6 per cent in 1993 as compared to the budget of 24.8 per cent, a favourable reduction of 0.2 per cent;

(d) Total cost of goods delivered amounted to $29.0 million, $0.5 million (1.8 per cent) less than the budget. This decline was attributable to a reduction in the cost of freight, duties and taxes ($0.8 million) and of promotion materials ($0.2 million) and offset by an increase in the cost of the goods delivered ($0.5 million);

(e) Total operating costs for the year were $19.2 million, $4.5 million (19.1 per cent) lower than budget. As a percentage of gross proceeds, total operating costs were 13.9 per cent, 1.5 per cent less than budget;

(f) Other income for the year was $0.3 million (4.4 per cent) less than budget;

(g) Net operating income from GCO products was $63.4 million, $6.9 million (9.9 per cent) less than budget. As a percentage of gross proceeds, net operating income was 45.9 per cent, 0.2 per cent better than budget;

(h) Net operating income from private sector fund-raising was $46.7 million, $15.4 million (49.2 per cent) more than the budgeted income of $31.3 million;

(i) Central and Eastern European National Committees Development Programme expenditure was favourable by $0.2 million (19.9 per cent) compared to the budget;

(j) After the effect of exchange rate and prior years' adjustments, GCO posted a net consolidated income of $99.4 million, $1.2 million or 1.2 per cent below the budget of $100.6 million.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

38. The accounts are maintained in accordance with the Financial Regulations and Rules of the United Nations Children's Fund and with the Financial Regulations and Rules of the United Nations Children's Fund, Special Supplement, Greeting Card Operation.

39. The accounting period (fiscal year) of GCO is 1 May to 30 April. The accounts of GCO are consolidated into the UNICEF accounts as at 31 December. Consistent year-end cut-off procedures are in effect to incorporate GCO accounts into the UNICEF financial statements.

40. The accounting unit is the United States dollar. The equivalent in United States dollars of other currencies is established on the basis of the United Nations operational rates of exchange on the transaction date.

41. Deliveries to National Committees and other partners are recorded in local currencies converted into United States dollars at the United Nations exchange rate on the individual delivery dates. GCO gross proceeds reported in local currencies by partners are recorded in United States dollars at the resultant average exchange rates calculated on the basis of the rates used for deliveries. Actual cash collection is recorded in United States dollars at the United Nations rate in effect at the time remittances are received.

42. Periodically, assets and liabilities in currencies other than United States dollars are valued for accounting purposes at the prevailing United Nations rates of exchange. Any variance in valuation caused by fluctuation of those rates is accounted for as income or loss and included in the statement of income and expenditure under revaluation of assets and liabilities (exchange rate adjustment). An allowance of 10 per cent of non-United States dollar-denominated outstanding accounts receivable as at 30 April may be established to cover the fluctuation of exchange rates. Further, an allowance for accounts receivable that are considered doubtful for collection may be established. These allowances are shown as a deduction from the accounts receivable on the statement of assets and liabilities.

43. The inventory of raw materials, work in process, finished goods of the following campaign and goods in transit are valued at standard cost. It is GCO policy to write off unsold finished products from the current campaign year that are not carried forward to the next campaign year. Products that have been written off and carried forward are valued at their add-on cost. All publicity and promotion materials produced in the current campaign year, but relating to future campaign years, are shown at standard cost and included in inventory.

44. Capital assets costing $100,000 or more are capitalized and depreciated over their estimated useful life.

45. Liabilities are accrued in the GCO accounts following recognized accounting standards and appropriate cut-off procedures are followed consistently.

46. Income from private sector fund-raising activities and related expenses are recorded separately in the GCO accounts.

Annex I

COUNTRY-BY-COUNTRY PERFORMANCE REPORT FOR THE SALE OF GREETING CARDS AND OTHER PRODUCTS

1. Since 1987, in response to a UNICEF Executive Board request, a report representing an evaluation of performance by partners for the sale of greeting cards and other products has been prepared annually, as follows:

(a) Table 1 below shows gross proceeds for all products and the number of cards sold by sales region and by major selling country for 1993 compared to 1992. It shows the ranking of each major market expressed as a performance on a per capita basis showing gross proceeds and cards sold per 1,000 population in 1993 compared to 1992;

(b) Table 2 below shows country-by-country performance for the period 1989-1993.

2. In order to measure country-by-country performance, GCO has established eight indicators that have been discussed with the respective partners: National Committees for UNICEF, field offices and consignees. The indicators reflect the areas of joint responsibility of the greeting card sales partnership, including forecasting, ordering, selling, pricing and promotion material costs, and lead up to the key indicator "contribution to UNICEF".

Performance overview, 1989-1993

3. Table 2 reflects the performance by country over a period of five years. This overview can be summarized by country, by region and globally. Global performance shows the following trends:

(a) PI 1. Card sales (in millions of cards). The continued global recession and the difficult economic circumstances, particularly in Central and Eastern European countries, negatively affected card sales volume since 1991. Global volume, however, increased from 152 million cards in 1989 to 154 million cards in 1993;

(b) PI 2. Gross proceeds (in millions of United States dollars). Gross proceeds grew steadily from $107.5 million in 1989 to $138.1 million in 1993, an increase of 28.5 per cent;

(c) PI 3. Other income (in millions of United States dollars) from such special programmes as licensed products or products produced by partners. Other income increased marginally from $6.7 million in 1989 to $6.8 million in 1993;

(d) PI 4. Commission/field office expenses (amounts retained by National Committees and other partners, commissions paid to consignees and direct expenses at field office as a percentage of gross proceeds). Commissions/field office expenses for 1993 were 25 per cent. Since 1989, the 25 per cent commission/field office expenses have been achieved by GCO partners collectively each year;

(e) PI 5. Pricing is indicated as a percentage of a base price for an "A-format" (standard-size) card established annually by GCO. An asterisk (*) denotes countries where the price level has reached or exceeded the GCO base price. There has been a consistent adaptation of pricing from 1989 to 1993, with base price increasing in most of Europe, North America and the Pacific region;

(f) PI 6. Distribution over sales (as a percentage over standard) represents a percentage exceeding established distribution ratios for a consignment sales partnership (the standard = 0). Owing to sluggish sales during the period and to lower than forecast sales volume for 1993 in particular, the excess distribution (distribution over sales) increased from 5 per cent in 1989 to 12 per cent in 1993;

(g) PI 7. Promotion materials costs (as a percentage of gross proceeds) are the direct costs of production of promotion materials provided free by GCO to its partners. Compared to 1989, the expenditure for promotion materials remained at 4 per cent of gross proceeds in 1993;

(h) PI 8. Contribution to UNICEF (as a percentage of gross proceeds) represents the result of sales proceeds plus other income, less commissions, field office costs, costs of goods delivered and promotion materials. The cost of goods delivered are influenced by the partners' accuracy in forecasting and ordering as well as by the efficiency of GCO procurement, production and physical distribution. The overall contribution to UNICEF decreased from 61 per cent in 1989 to 59 per cent in 1993 due mainly to slow growth in sales volume and the negative impact of the strengthening of the United States dollar on gross proceeds in 1993.

1993 global assessment

4. The eight performance indicators not only serve as a tool to measure individual country performance, but they also provide a means to assess globally GCO cooperative performance with National Committees and other partners.

5. There are a total of 40 individual countries (major markets by region) and four groups of countries included in the 1993 country analysis, and the eight performance indicators show the results indicated below. (For convenience, countries referred to in the following paragraphs include the four groups of countries). Due to current events in the former Yugoslavia, no indicators are presented for this area for the year 1993.

Sales volume (PI 1)

6. In addition to providing a measure of income potential, this is the only indicator that also measures UNICEF "visibility" or presence in the world market. It is, therefore, valuable as a qualitative as well as a quantitative indicator.

7. In 1993, 19 countries showed increases in sales volume, 12 countries showed sales decreases while the rest remained at 1992 sales volume level.

Gross proceeds (PI 2)

8. In spite of a strong United States dollar, gross proceeds from the sale of UNICEF GCO products increased in 12 countries between 1992 and 1993, 11 countries maintained proceeds at approximately the same levels as in 1992 while 21 countries showed decreases.

Other income (PI 3)

9. Income from licensed products, royalties and from the sales of committee products increased in 6 countries, decreased in 8 countries and remained the same in 5 countries.

Commissions/field office expenses (PI 4)

10. The percentage of the amount retained by National Committees, field office expenses and commissions paid to partners remained at 25 per cent in 1993. Altogether, 31 countries were at or below the 25 per cent level and 13 were above it.

Pricing (PI 5)

11. In 1993, 19 countries were at or above the base price, while 23 countries remained below it.

12. In countries with high inflation rates, the system of periodic price adjustments helped to offset the negative effects of inflation.

Distribution/sales ratio (PI 6)

13. Overall, the ratio of "cards distributed" over "cards sold" increased from 7 per cent in 1992 to 12 per cent in 1993. This was due primarily to sales being below forecast in North America and in Europe. Fifteen countries reached or maintained a favourable ratio at standard, 6 countries reduced their ratio, while 23 increased.

Promotion material costs (PI 7)

14. Overall, promotion material costs remained at 4 per cent of gross products in 1993. Costs increased in 18 countries in 1993, decreased in 9 countries and remained approximately the same in 17 countries.

Contribution to UNICEF (PI 8)

15. The overall contribution (59 per cent of gross proceeds) decreased slightly in 1993 (60 per cent in 1992).

16. In 20 countries, the contribution to UNICEF increased. It decreased in 22 countries and remained the same in 2 countries. In an analysis by region, it can be observed that contributions from Latin America and Asia increased, whereas from North America, Pacific, India and Pakistan, Europe and Africa and Middle East they decreased.

1993 regional assessment

Region I - North America

17. Due to the continued difficult recessionary climate, there was an overall decrease of 4.1 per cent in card sales volume and 1.5 per cent decline in gross proceeds in the North America region. Card sales decreased by 4.4 per cent and 3.7 per cent in the United States and Canada, respectively, when compared to 1992. Gross proceeds in Canada decreased by $0.4 million (8.2 per cent), whereas the United States showed an increase of $0.2 million (2.4 per cent) when compared to 1992. The overall contribution to UNICEF of this region for 1993 was 44 per cent, compared to 46 per cent in 1992, a decrease of 2.0 per cent due primarily to the decrease in gross proceeds and a high distribution over sales ratio.

18. As a percentage of global GCO proceeds and greeting cards sold, this region contributed 9.5 per cent to total gross proceeds and 9.0 per cent to total cards sold.

Region II - Latin America and the Caribbean

19. Card sales volume increased by 1.3 million (14.0 per cent) in 1993, while gross proceeds decreased by $0.1 million (1.3 per cent) in this region when compared to 1992.

20. Brazil continued to be the largest seller of cards in the region in 1993 with a volume of 5.2 million, 1.0 million higher than in 1992. Its gross proceeds of $3.0 million, which accounted for 39 per cent of the region's total gross proceeds, however, decreased by $0.5 in 1993 (14.3 per cent) compared to 1992.

21. Five countries in the region increased their gross proceeds, while the contribution to UNICEF increased in seven countries when compared to 1992. Other income increased by $0.3 million, favourably affecting the region's overall contribution which increased to 49 per cent in 1993 compared to 47 per cent in 1992.

Region III - Asia

22. In 1993, the region showed consistent growth, with an increase of $1.5 million in gross proceeds and 0.5 million in card sales volume compared to 1992.

23. In 1993, sales volume continued to grow in Japan, where it increased by 0.3 million cards (5 per cent) and gross proceeds by $1.2 million (22 per cent), when compared to 1992. Three other countries registered an increase in card sales volume and six countries showed an increase in contributions.

24. Japan's other income, accruing mainly from the Nippon Telegraph and Telephone Corporation's pressed flower telegram programme, continued to increase and in 1993 accounted for 89 per cent of the region's other income. The cost of promotional materials in this region remained at 2 per cent and the overall retention dropped in 1993. The contribution to UNICEF increased from 82 per cent in 1992 to 93 per cent in 1993.

Region IV - Pacific, India and Pakistan

25. The card sales volume for the region in 1993 amounted to 8.2 million cards, an increase of 0.6 million (7.9 per cent) when compared to 1992. Due to the difficult economic climate, Australia showed a decrease, while India and Pakistan showed a combined increase of 1.0 million cards.

26. Gross proceeds for the region decreased from $3.4 million in 1992 to $3.2 million in 1993, representing a decline of 6 per cent due primarily to a devaluation of India's currency. While Pakistan maintained the previous years' revenues, proceeds from Australia and New Zealand fell from $1.6 million and $0.3 million, respectively, in 1992 to $1.4 million and $0.2 million, respectively, in 1993.

27. The region's contribution to UNICEF decreased from 38 per cent in 1992 to 24 per cent in 1993. The decline is due to a drop in gross proceeds, a higher retention rate and an increase in the distribution over sales ratio.

Region V - Europe

28. Despite the continued global recession and the difficult economic circumstances, particularly in Central and Eastern Europe, the region registered a marginal increase in card sales volume of 1.7 million (1.6 per cent). Gross proceeds in 1993 dropped by $13.0 million (11.4 per cent) when compared to 1992 due to the unfavourable effect of the strong United States dollar. The overall

retention rate for the region dropped by 1 per cent, while the cost of promotional materials increased marginally to 4 per cent. Other income decreased by $0.6 million (18 per cent) in 1993. The decrease in gross proceeds and other income accounted for the marginal reduction in this region's contribution to UNICEF from 62 per cent in 1992 to 60 per cent in 1993.

29. Austria achieved a marginal increase in card sales volume although gross proceeds remained the same when compared to 1992. An improved distribution to sales ratio resulted in an overall increase of 2 per cent in its contribution to UNICEF.

30. Belgium decreased its card sales from 2.5 million cards in 1992 to 2.3 million cards in 1993, a decrease of 0.2 million (8 per cent). Gross proceeds likewise, decreased by $0.4 million (13.3 per cent) in 1993, contributing to a decrease in its contribution to UNICEF from 58 per cent in 1992 to 54 per cent in 1993.

31. Denmark's gross proceeds decreased from $2.4 million in 1992 to $2.0 million in 1993, a decrease of $0.4 million (17 per cent), while card sales volume decreased by 0.1 million cards. The country's contribution to UNICEF decreased from 61 per cent in 1992 to 57 per cent in 1993.

32. Finland showed a decrease in gross proceeds from $2.7 million in 1992 to $2.1 million in 1993 resulting from a decrease in card sales volume of 0.2 million. Its cost of promotion materials increased marginally, whereas the drop in sales volume resulted in a deterioration of its distribution to sales ratio. Contribution to UNICEF decreased from 57 per cent in 1992 to 55 per cent in 1993.

33. France recorded a marginal decrease in sales volume from 16.6 million cards in 1992 to 16.3 million in 1993, a decrease of 0.3 million (2 per cent). Gross proceeds also decreased, from $21.5 million in 1992 to $19.6 million in 1993, a decrease of $1.9 million (9 per cent). Its other income reduced by $0.2 million. These factors resulted in reducing its contribution to UNICEF GCO from 64 per cent in 1992 to 60 per cent in 1993.

34. Germany continued to be the highest seller of greeting cards worldwide with sales of 18.4 million cards in 1993, an increase of 0.5 million cards (3 per cent) compared to 1992. Gross proceeds remained at $24.1 million in 1993, the same as in 1992. This resulted in a marginal decrease in its contribution to UNICEF from 63 per cent in 1992 to 62 per cent in 1993.

35. Card sales in Greece decreased from 4.0 million in 1992 to 3.3 million in 1993 (18 per cent) while its gross proceeds decreased from $3.3 million in 1992 to $2.2 million (33 per cent) in 1993. This resulted in a decrease in its contribution to UNICEF by 4 per cent, i.e. from 60 per cent in 1992 to 56 per cent in 1993.

36. Italy's card sales volume increased from 10.3 million in 1992 to 11.5 million in 1993. However, due to a devaluation, its gross proceeds decreased from $13.6 million in 1992 to $10.5 million in 1993. However, a higher other income and a lower retention rate resulted in increasing the country's contribution to UNICEF from 60 in 1992 to 70 per cent in 1993.

37. In the Netherlands, card sales volume decreased marginally from 7.2 million cards in 1992 to 7.1 million in 1993. However, gross proceeds decreased by $0.3 million (3.7 per cent) in 1993 compared to 1992. Its contribution to UNICEF, however, remained at 62 per cent in 1993, the same as in 1992.

38. Compared to 1992, Norway's gross proceeds decreased by $0.4 million, while its card sales volume remained at last year's level of 1.9 million cards. As a result, its contribution to UNICEF decreased from 58 to 56 per cent in 1993.

39. Portugal increased its card sales volume from 2.6 million in 1992 to 2.7 million in 1993, while its gross proceeds decreased from $1.8 million in 1992 to $1.7 million in 1993. This marginal decrease in gross proceeds resulted in a reduction of its contribution to UNICEF from 69 per cent in 1992 to 68 per cent in 1993.

40. Although Spain's card sales volume increased by 0.4 million in 1993 (2.5 per cent), a devaluation of the peso resulted in reducing its gross proceeds by $2.5 million (23 per cent) compared to 1992. The country also decreased its other income by $0.5 million. This resulted in a reduction in its contribution to UNICEF from 67 to 60 per cent in 1993.

41. While card sales volume remained at 2.3 million in 1993 (the same as in 1992), a devaluation in Sweden decreased its gross proceeds from $2.9 million in 1992 to $2.0 million in 1993, a decrease of 31 per cent. However, contribution to UNICEF increased from 52 to 61 per cent.

42. In Switzerland, both card sales volume and gross proceeds declined in 1993. While card sales volume decreased to 4.0 million in 1993 from 4.3 million in 1992, its gross proceeds dropped from $7.8 million in 1992 to $6.8 million in 1993. However, higher other income helped to increase its contribution to UNICEF from 65 per cent in 1992 to 68 per cent in 1993.

43. The United Kingdom's card sales volume decreased by 0.2 million cards in 1993, while its gross proceeds decreased by $0.5 million. This decrease, in addition to an increase in promotional material expenses, resulted in reducing its contribution to UNICEF from 33 per cent in 1992 to 29 per cent in 1993.

44. The results in Central and Eastern European countries (presented under "other" in Region V) continued to show steady improvement in card sales volume which increased to 5.1 million cards, an increase of 24 per cent over 1992. However, due to unfavourable exchange rates, gross proceeds remained at $2.1 million, the same as in 1992. This region's contribution to UNICEF decreased from 51 per cent in 1992 to 41 per cent in 1993.

Region VI - Africa and Middle East

45. Card sales volume in Africa and Middle Eastern countries increased by 0.1 million (2 per cent) in 1993 when compared to 1992, while gross proceeds decreased by $0.9 million (18 per cent). Field office expenses, including commissions as a percentage of gross proceeds, increased to 21 per cent in 1993 compared to 15 per cent in 1992, and it had an unfavourable distribution to sales ratio. These unfavourable factors resulted in reducing the region's contribution to UNICEF from 54 per cent in 1992 to 52 per cent in 1993.

Annex I

COUNTRY-BY-COUNTRY PERFORMANCE REPORT FOR THE SALE OF GREETING CARDS AND OTHER PRODUCTS

Table 1

Volume of card sales and gross proceeds for all products - by region and by major markets - 1993 compared with 1992

	1993					1992					Increase/(decrease)		
	Thousands of cards sold	Gross proceeds (Thousands of US dollars)	Percentage of total proceeds	Gross proceeds per 1,000 population	Cards sold per 1,000 population	Thousands of cards sold	Gross proceeds (Thousands of US dollars)	Percentage of total proceeds	Gross proceeds per 1,000 population	Cards sold per 1,000 population	No. of cards sold 1993 over 1992	1993 gross proceeds over 1992	Population in millions
North America - Region I													
Canada	5,188	4,464	3.2	168.22	184	5,448	4,923	3.3	174.89	194	(260)	(459)	28.1
United States of America	8,666	8,649	6.3	33.49	34	9,066	8,439	5.6	32.68	35	(400)	210	258.2
Subtotal, North America	13,854	13,103	9.5	-	-	14,514	13,362	8.9	-	-	(860)	(259)	
Latin America - Region II													
Argentina	705	681	0.4	17.36	21	635	482	0.3	14.39	19	70	99	33.6
Brazil	5,152	3,015	2.2	19.27	33	4,242	3,618	2.3	22.48	27	910	(603)	156.6
Chile	189	138	0.1	10.18	14	184	142	0.1	10.49	14	6	(4)	13.6
Colombia	1,271	869	0.6	26.59	37	1,260	783	0.5	23.06	37	11	86	34.0
Ecuador	457	355	0.3	32.31	42	400	273	0.2	24.85	36	57	82	11.0
Mexico	524	893	0.6	9.93	6	538	1,008	0.7	11.21	6	(14)	(115)	90.0
Peru	583	446	0.3	19.48	25	490	364	0.2	16.88	21	93	82	22.9
Uruguay	438	328	0.2	104.29	139	417	258	0.2	81.93	132	21	70	3.1
Venezuela	164	171	0.1	8.30	8	160	127	0.1	6.16	8	4	44	20.6
Others	1,099	908	0.7	-	-	1,004	863	0.6	-	-	95	55	
Subtotal, Latin America	10,581	7,706	5.8	-	-	9,330	7,808	5.2	-	-	1,251	(102)	
Asia - Region III													
Hong Kong	830	518	0.4	87.24	140	764	488	0.3	82.27	127	76	30	5.9
Indonesia	806	410	0.3	2.18	4	713	349	0.2	1.86	4	93	61	188.2
Japan	6,508	6,629	4.8	53.17	52	6,204	5,371	3.6	43.08	50	304	1,258	124.7
Philippines	471	274	0.2	4.23	7	435	265	0.2	4.08	7	36	9	65.0
Republic of Korea	436	419	0.3	9.52	10	543	423	0.3	9.60	12	(108)	(4)	44.0
Thailand	322	202	0.1	3.49	6	306	186	0.1	3.22	5	16	16	57.8
Others	1,112	941	0.7	-	-	1,034	802	0.5	-	-	78	139	
Subtotal, Asia	10,484	8,393	6.8	-	-	9,989	7,884	5.2	-	-	495	1,509	
Pacific, India & Pakistan - Region IV													
Australia	1,667	1,388	1.0	78.27	94	1,951	1,583	0.0	89.29	110	(284)	(196)	17.7
India	5,586	1,368	1.0	1.61	6	4,681	1,268	0.8	1.41	5	904	90	886.6
New Zealand	264	226	0.2	64.13	75	336	269	0.2	76.42	95	(71)	(43)	3.5
Pakistan	653	216	0.2	1.69	5	656	207	0.1	1.62	4	97	9	128.0
Others	32	20	0.0	-	-	39	26	0.0	-	-	(7)	(6)	
Subtotal, Pacific, India & Pakistan	8,201	3,207	2.3	-	-	7,662	3,353	2.2	-	-	939	(146)	

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Annex I (continued)

Table 1 (continued)

	1993					1992					Increase/(decrease)	
	Thousands of cards sold	Gross proceeds (Thousands of US dollars)	Percentage of total proceeds	Gross proceeds per 1,000 population	Cards sold per 1,000 population	Thousands of cards sold	Gross proceeds (Thousands of US dollars)	Percentage of total proceeds	Gross proceeds per 1,000 population	Cards sold per 1,000 population	No. of cards sold 1993 over 1992	1993 gross proceeds over 1992
Europe - Region V												
Austria	1,669	1,890	1.4	238.07	209	1,626	1,911	1.3	240.74	205	34	(21)
Belgium	2,323	2,626	1.9	260.73	231	2,473	3,001	2.0	297.95	246	(150)	(375)
Czechoslovakia a/	0	0	0.0	0.00	0	271	80	0.1	0.00	0	(271)	(80)
Denmark	1,866	2,020	1.5	389.43	359	2,001	2,404	1.6	463.47	386	(136)	(384)
Finland	1,811	2,060	1.5	407.32	368	1,994	2,739	1.8	541.62	394	(183)	(679)
France	16,336	19,574	14.2	339.30	283	16,633	21,629	14.3	373.18	288	(297)	(1,955)
Germany	18,405	24,094	17.4	296.64	227	17,914	24,099	16.0	296.83	221	491	(15)
Greece	3,276	2,224	1.6	215.71	318	3,977	3,270	2.2	317.17	386	(702)	(1,046)
Ireland	477	402	0.3	1,523.83	1,907	456	414	0.3	1,568.18	1,727	21	(12)
Italy	11,507	10,490	7.6	183.28	201	10,319	13,606	9.0	237.70	180	1,188	(3,116)
Luxembourg	565	719	0.5	1,834.07	1,442	558	757	0.5	1,931.12	1,423	7	(38)
Netherlands	7,120	7,677	5.6	501.69	466	7,160	7,964	5.3	520.45	468	(40)	(287)
Norway	1,892	1,737	1.3	403.30	439	1,838	2,121	1.4	492.34	450	(46)	(384)
Poland	1,697	609	0.4	16.80	44	906	182	0.1	4.73	24	791	427
Portugal	2,750	1,682	1.2	171.24	280	2,588	1,793	1.2	182.53	263	162	(111)
Spain	16,235	8,476	6.1	216.54	416	15,752	11,044	7.3	282.16	402	483	(2,568)
Sweden	2,271	1,957	1.4	224.26	260	2,347	2,927	1.9	335.40	269	(76)	(970)
Switzerland	3,969	6,837	5.0	981.46	570	4,271	7,839	5.2	1,126.32	613	(302)	(1,002)
Turkey	4,182	1,647	1.2	27.62	70	4,230	1,666	1.1	27.83	71	(48)	(19)
United Kingdom	2,160	1,727	1.3	29.73	37	2,336	2,150	1.4	37.02	40	(188)	(423)
Yugoslavia (former)	0	0	0.0	0.00	0	0	0	0.0	0.00	0	0	0
Others	5,119	2,150	1.6	-	-	4,140	2,058	1.4	-	-	979	92
Subtotal, Europe	105,606	100,588	72.8	-	-	103,891	113,663	75.2	-	-	1,715	(12,986)
Africa and Middle East - Region VI	4,845	4,097	3.0	-	-	4,863	5,027	3.3	-	-	92	(930)
TOTAL	153,671	138,093	100.0	-	-	150,139	150,997	100.0	-	-	3,532	(12,894)

a/ In a letter dated 10 December 1992, the Permanent Representative of Czechoslovakia informed the Secretary-General that the Czech and Slovak Republic would cease to exist on 31 December 1992 and that the Czech and Slovak Republic, as successor States, would apply for membership in the United Nations. The Czech Republic and the Slovak Republic were admitted as Member States on 19 January 1993.

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Annex I (continued)

Table 2

Country-by-country performance report, 1989 to 1993

Performance indicators 1 - 8 (PI 1 - PI 8) a/

	PI 1 Card sales (Millions of card units)					PI 2 Gross proceeds (Millions of US dollars)					PI 3 Other income (Millions of US dollars)					PI 4 Commissions/field office (Percentage of gross proceeds)				
	1989	1990	1991	1992	1993	1989	1990	1991	1992	1993	1989	1990	1991	1992	1993	1989	1990	1991	1992	1993
North America - Region I																				
Canada	6.4	6.1	5.6	5.4	5.2	5.3	5.3	5.2	4.9	4.5	0.1	0.1	0.1	0.1	0.1	25	25	26	26	26
United States of America	13.0	12.2	9.5	9.1	8.7	9.6	10.1	8.1	8.4	8.6	0.6	0.5	0.0	0.5	0.2	28	29	28	38	27
Subtotal - North America	19.4	18.3	15.1	14.5	13.9	14.9	15.4	13.3	13.3	13.1	0.7	0.6	0.1	0.6	0.3	27	27	27	32	27
Latin America - Region II																				
Argentina	0.8	0.6	0.7	0.6	0.7	0.4	0.4	0.5	0.5	0.6	0.1	0.0	0.0	0.0	0.0	26	27	25	29	31
Brazil	5.8	5.0	4.7	4.2	5.2	2.8	2.3	3.0	3.5	3.0	1.1	0.2	0.3	0.6	0.9	33	40	32	34	34
Chile	0.3	0.3	0.3	0.2	0.2	0.1	0.1	0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0	42	53	43	56	75
Colombia	1.0	1.1	1.2	1.3	1.3	0.6	0.6	0.7	0.8	0.9	0.0	0.0	0.0	0.0	0.0	32	34	36	40	38
Ecuador	0.3	0.4	0.4	0.4	0.5	0.2	0.3	0.3	0.3	0.4	0.0	0.0	0.0	0.0	0.0	27	26	30	32	30
Mexico	0.5	0.5	0.7	0.5	0.5	0.6	0.7	0.9	1.0	0.9	0.0	0.0	0.0	0.0	0.1	36	43	46	46	39
Peru	0.4	0.5	0.4	0.5	0.6	0.2	0.3	0.3	0.4	0.4	0.0	0.0	0.0	0.0	0.0	23	23	23	27	18
Uruguay	0.4	0.4	0.4	0.4	0.4	0.2	0.2	0.2	0.3	0.3	0.0	0.0	0.0	0.0	0.0	25	30	25	25	25
Venezuela	0.1	0.1	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.2	0.0	0.0	0.0	0.0	0.0	29	29	29	51	34
Balance of Latin America	0.8	0.9	0.9	1.0	1.1	0.5	0.6	0.7	0.8	0.9	0.0	0.0	0.0	0.1	0.0	17	17	21	18	20
Subtotal - Latin America	10.4	9.8	9.9	9.3	10.6	5.7	5.6	6.9	7.8	7.7	1.2	0.2	0.3	0.7	1.0	31	34	32	34	32
Asia - Region III																				
Hong Kong	0.4	0.5	0.6	0.8	0.8	0.3	0.3	0.4	0.5	0.5	0.0	0.0	0.6	0.1	0.1	25	25	25	25	25
Indonesia	0.4	0.4	0.5	0.7	0.8	0.2	0.2	0.3	0.3	0.4	0.0	0.0	0.0	0.0	0.0	27	24	40	26	24
Japan	3.5	4.2	5.9	6.2	6.5	2.5	3.5	4.5	5.4	6.6	2.3	1.5	1.6	1.8	2.5	32	25	25	25	25
Philippines	0.3	0.3	0.4	0.4	0.5	0.1	0.2	0.2	0.3	0.3	0.0	0.0	0.0	0.0	0.0	25	16	24	26	26
Republic of Korea	0.3	0.4	0.3	0.6	0.4	0.2	0.2	0.2	0.4	0.4	0.0	0.0	0.0	0.1	0.2	81	68	103	57	25
Thailand	0.1	0.2	0.2	0.3	0.3	0.1	0.1	0.1	0.2	0.2	0.0	0.0	0.0	0.0	0.0	41	42	64	42	26
Balance of Asia	0.6	0.8	0.9	1.0	1.1	0.3	0.6	0.6	0.8	0.9	0.0	0.0	0.0	0.1	0.0	3	20	31	24	19
Subtotal - Asia	5.6	6.8	8.8	10.0	10.5	3.7	5.1	6.3	7.9	9.4	2.3	1.5	2.2	2.1	2.8	33	26	30	27	24
Pacific, India & Pakistan - Region IV																				
Australia	2.2	2.3	2.1	2.0	1.7	1.5	1.7	1.7	1.6	1.4	0.0	0.0	0.0	0.0	0.0	25	26	20	24	25
India	7.1	6.2	6.3	4.7	5.6	2.4	1.9	1.4	1.3	1.4	0.0	0.0	0.0	0.0	0.0	15	23	22	33	52
New Zealand	0.5	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.0	0.0	0.0	0.0	0.0	22	22	22	22	22
Pakistan	0.3	0.5	0.5	0.6	0.7	0.1	0.2	0.2	0.2	0.2	0.0	0.0	0.0	0.0	0.0	43	35	47	35	31
Subtotal - Pacific, India & Pakistan	10.1	9.4	9.3	7.6	8.2	4.3	4.1	3.6	3.4	3.2	0.0	0.0	0.0	0.0	0.0	21	24	22	32	37

a/ An explanation of the performance indicators is given in paragraphs 2 and 3 of the annex.

Annex I (continued)

Table 2 (continued)

	Pi 1 Card sales (Millions of card units)					Pi 2 Gross proceeds (Millions of US dollars)					Pi 3 Other income (Millions of US dollars)					Pi 4 Commissions/field office (Percentage of gross proceeds)				
	1989	1990	1991	1992	1993	1989	1990	1991	1992	1993	1989	1990	1991	1992	1993	1989	1990	1991	1992	1993
Europe - Region V																				
Austria	1.6	1.7	1.8	1.6	1.7	1.3	1.7	1.8	1.9	1.9	0.0	0.0	0.0	0.0	0.0	25	25	25	25	25
Belgium	2.1	2.8	2.3	2.5	2.3	1.8	2.8	2.6	3.0	2.6	0.0	0.0	0.0	0.1	0.0	25	25	25	25	25
Czechoslovakia b/	0.5	0.3	0.4	0.3	-	0.8	0.1	0.1	0.1	-	0.0	0.0	0.0	0.0	0.0	25	25	21	13	-
Denmark	1.9	2.0	2.0	2.0	1.9	1.6	2.1	2.0	2.4	2.0	0.0	0.0	0.0	0.1	0.0	25	25	25	25	25
Finland	3.0	2.7	2.0	2.0	1.8	3.4	4.1	3.0	2.7	2.1	0.2	0.2	0.1	0.1	0.1	25	25	25	25	25
France	14.4	14.2	15.4	16.6	16.3	11.8	15.7	16.1	21.5	19.6	0.3	0.4	0.3	0.5	0.3	25	25	25	25	25
Germany	17.4	16.9	17.0	17.9	18.4	15.1	19.5	19.2	24.1	24.1	0.2	0.4	0.1	0.2	0.1	25	25	24	24	24
Greece	2.3	2.6	3.3	4.0	3.3	1.2	1.8	2.4	3.3	2.2	0.1	0.2	0.3	0.3	0.3	25	25	25	25	25
Ireland	0.4	0.5	0.5	0.5	0.5	0.3	0.4	0.4	0.4	0.4	0.0	0.0	0.0	0.0	0.0	25	25	25	25	25
Italy	7.2	8.8	10.2	10.3	11.5	6.3	10.7	13.8	13.6	10.5	0.6	0.8	0.9	0.3	0.6	24	24	21	22	15
Luxembourg	0.4	0.5	0.5	0.6	0.6	0.4	0.6	0.6	0.8	0.7	0.0	0.0	0.0	0.0	0.0	25	25	25	25	25
Netherlands	7.8	8.0	7.2	7.2	7.1	5.9	7.5	7.2	8.0	7.7	0.4	0.4	0.4	0.4	0.4	24	25	25	25	25
Norway	2.3	2.0	2.1	1.9	1.9	1.9	1.8	1.9	2.1	1.7	0.0	0.0	0.0	0.0	0.0	21	21	21	21	24
Poland	4.1	0.8	1.8	0.9	1.7	0.7	0.1	0.3	0.2	0.6	0.0	0.0	0.0	0.0	0.0	0	25	25	25	25
Portugal	1.5	2.1	2.6	2.6	2.7	0.6	1.0	1.4	1.8	1.7	0.0	0.0	0.0	0.0	0.0	25	25	25	25	25
Spain	13.6	15.0	16.0	15.8	16.2	5.4	8.4	9.0	11.0	8.5	0.0	0.1	0.1	0.8	0.3	25	25	25	25	25
Sweden	3.9	3.4	2.8	2.3	2.3	3.1	3.3	2.7	2.9	2.0	0.1	0.2	0.0	0.0	0.0	25	25	25	25	25
Switzerland	4.5	4.6	4.6	4.3	4.0	5.5	6.9	7.4	7.8	6.8	0.5	0.4	0.3	0.5	0.6	25	25	25	25	25
Turkey	3.0	4.1	4.2	4.2	4.2	0.7	1.4	1.8	1.7	1.6	0.0	0.0	0.0	0.0	0.0	25	25	25	25	25
United Kingdom	2.4	2.3	2.6	2.3	2.1	1.5	1.6	2.1	2.2	1.7	0.0	0.0	0.0	0.0	0.0	22	22	21	21	21
Yugoslavia (former)	5.3	6.3	1.6	-	-	1.9	4.3	0.7	-	-	0.0	0.0	0.0	0.0	0.0	25	25	25	-	-
Others	2.5	3.0	3.1	4.1	5.1	2.7	3.3	1.4	2.1	2.1	0.1	0.0	0.2	0.0	0.0	25	25	26	24	24
Subtotal - Europe	102.1	104.6	104.0	103.9	105.6	73.9	99.1	97.9	113.6	100.6	2.5	3.1	2.7	3.3	2.7	25	24	24	24	23
Africa & Middle East - Region VI	4.8	5.1	4.4	4.8	4.9	5.0	5.6	5.3	5.0	4.1	0.0	0.1	0.0	0.0	0.0	14	17	16	15	21
TOTAL	152.4	154.0	151.5	150.1	153.7	107.5	134.9	133.3	151.0	138.1	6.7	5.5	5.3	6.7	6.8	25	25	25	25	25

b/ In a letter dated 10 December 1992, the Permanent Representative of Czechoslovakia informed the Secretary-General that the Czech and Slovak Republic would cease to exist on 31 December 1992 and that the Czech and Slovak Republic, as successor States, would apply for membership in the United Nations. The Czech Republic and the Slovak Republic were admitted as Member States on 19 January 1993.

Annex I (continued)

Table 2 (continued)

	Pi 5 Pricing (Percentage of base price)					Pi 6 Distribution over sales (Percentage over base)					Pi 7 Promotional materials (Percentage of gross proceeds)					Pi 8 Contribution to UNICEF (Percentage of gross proceeds)				
	1989	1990	1991	1992	1993	1989	1990	1991	1992	1993	1989	1990	1991	1992	1993	1989	1990	1991	1992	1993
North America - Region I																				
Canada	•	•	94	•	97	0	16	14	1	22	5	5	6	6	8	55	52	50	55	48
United States of America	•	•	•	•	•	27	40	57	38	79	9	9	9	10	10	48	47	35	41	41
Subtotal - North America	-	-	-	-	-	13	32	42	24	58	8	8	8	8	9	51	48	41	46	44
Latin America - Region II																				
Argentina	77	80	71	73	88	0	26	0	21	36	1	1	2	3	2	71	46	54	39	15
Brazil	66	72	71	53	•	0	19	9	23	10	3	3	2	2	3	82	30	49	58	66
Chile	53	68	64	67	67	0	0	17	98	0	6	4	3	3	4	18	3	26	(8)	(13)
Colombia	72	80	71	67	74	0	0	0	0	18	3	1	3	3	2	28	34	35	31	35
Ecuador	75	80	71	73	83	0	0	0	8	0	2	2	1	1	1	43	38	50	40	46
Mexico	•	•	79	•	•	0	19	0	38	70	2	2	1	1	1	33	24	36	31	34
Peru	76	68	64	67	82	0	0	0	7	0	1	1	1	1	1	47	54	58	49	63
Uruguay	61	80	71	73	73	0	0	5	5	0	5	3	3	3	1	37	36	45	42	50
Venezuela	70	80	71	73	83	0	0	0	1	14	2	3	1	1	5	30	50	55	20	29
Balance of Latin America	-	-	-	-	-	0	2	2	0	18	1	2	2	2	2	54	33	54	58	45
Subtotal - Latin America	-	-	-	-	-	0	9	1	15	14	2	2	2	2	2	61	34	47	47	49
Asia Region III																				
Hong Kong	88	84	79	73	79	22	0	0	5	0	10	10	5	4	5	45	50	215	76	82
Indonesia	73	80	71	67	64	0	0	0	0	2	6	5	8	6	4	47	52	34	46	53
Japan	•	•	•	•	•	0	0	0	0	0	2	2	2	1	1	148	107	100	94	104
Philippines	77	76	68	67	73	27	0	0	0	0	3	6	2	2	2	43	51	61	56	51
Republic of Korea	•	96	86	80	•	0	0	13	0	36	6	7	5	4	5	(9)	12	(29)	52	92
Thailand	77	76	68	67	69	5	7	0	0	0	11	5	3	2	2	26	28	18	35	46
Balance of Asia	-	-	-	-	-	0	0	4	0	18	1	6	5	3	3	70	52	47	55	60
Subtotal - Asia	-	-	-	-	-	0	0	0	0	0	4	3	3	2	2	112	87	91	82	93
Pacific, India & Pakistan - Region IV																				
Australia	•	•	94	•	90	2	8	11	15	0	5	5	5	5	6	48	49	51	44	45
India	47	56	50	33	17	0	7	37	0	0	1	1	1	1	1	52	37	19	29	4
New Zealand	•	•	94	•	•	0	0	13	25	30	7	9	8	8	10	33	38	49	41	21
Pakistan	61	60	54	53	41	0	0	0	0	51	5	8	4	4	5	31	29	22	31	28
Subtotal - Pacific, India & Pakistan	-	-	-	-	-	0	5	26	0	2	3	4	4	4	4	48	42	37	38	24

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Annex I (continued)

Table 2 (continued)

	Pt 5 Pricing (Percentage of base price)					Pt 6 Distribution over sales (Percentage over base)					Pt 7 Promotional materials (Percentage of gross proceeds)					Pt 8 Contribution to UNICEF (Percentage of gross proceeds)				
	1989	1990	1991	1992	1993	1989	1990	1991	1992	1993	1989	1990	1991	1992	1993	1989	1990	1991	1992	1993
Europe - Region V																				
Austria	•	•	•	•	•	20	13	13	21	19	6	12	10	10	9	58	50	53	51	53
Belgium	•	•	•	•	•	22	37	42	12	21	6	5	5	8	8	55	54	57	58	54
Czechoslovakia b/	53	56	24	31	-	0	14	48	472	-	0	0	6	28	-	62	33	29	28	-
Denmark	•	•	•	•	•	0	10	6	6	7	4	6	3	4	4	60	58	60	61	57
Finland	•	•	•	•	•	19	31	48	20	32	4	4	6	6	7	68	63	59	57	55
France	•	•	•	•	•	34	31	26	24	23	4	3	3	2	3	60	60	63	64	60
Germany	•	98	•	•	•	0	0	19	11	12	2	3	1	2	3	68	64	62	63	62
Greece	68	64	78	82	75	0	0	0	0	10	3	3	3	2	3	61	58	63	60	56
Ireland	91	87	93	99	93	0	0	1	15	14	3	3	3	7	6	62	54	59	52	53
Italy	98	93	•	•	87	11	0	0	8	12	3	3	2	3	4	62	63	66	60	70
Luxembourg	•	•	•	•	•	3	0	0	0	1	6	5	3	5	4	60	59	62	60	62
Netherlands	•	•	•	•	•	6	14	19	11	21	4	4	4	5	4	65	63	64	62	62
Norway	•	•	•	•	•	10	17	14	12	7	2	2	2	3	3	50	47	48	58	56
Poland	16	14	9	15	23	19	195	0	(80)	0	0	12	9	11	5	67	(23)	38	38	23
Portugal	59	54	67	79	71	0	0	23	0	0	4	2	1	2	2	62	66	66	69	68
Spain	64	61	•	85	66	0	0	1	0	0	3	2	3	2	3	58	57	59	67	60
Sweden	•	•	•	•	•	39	14	23	30	31	2	1	2	3	3	52	59	60	52	61
Switzerland	•	•	•	•	•	7	17	11	24	29	6	4	4	6	6	69	66	67	65	68
Turkey	30	20	49	44	44	0	0	0	4	0	2	3	2	4	5	51	56	61	54	49
United Kingdom	86	77	90	96	81	24	36	13	29	28	6	5	5	11	14	41	32	41	33	29
Yugoslavia (former)	45	1	49	-	-	0	0	0	-	-	0	1	1	-	-	67	67	64	-	-
Others	•	•	•	•	•	0	0	6	0	5	1	1	1	2	2	58	59	40	51	41
Subtotal - Europe	-	-	-	-	-	8	10	11	9	11	3	3	3	3	4	61	61	61	62	60
Africa and Middle East - Region VI	•	•	•	•	•	0	0	0	0	0	14	2	2	2	3	68	65	67	54	52
TOTAL	-	-	-	-	-	5	10	11	7	12	4	3	3	4	4	61	59	60	60	59

Annex II

NET PROCEEDS FROM PRIVATE SECTOR FUND-RAISING - 1993 COMPARED TO 1992

(In United States dollars)

	1993			1992			Variance Increase (decrease)		
	General resources	Supplementary funds	Total	General resources	Supplementary funds	Total	General resources	Supplementary funds	Total
National Committees									
Australia	478,938	130,496	609,434	0		0	478,938		609,434
Belgium	671,875		671,875	1,191,421		1,191,421	(519,546)		(519,546)
Denmark	156,172	185,967	342,139	183,659		183,659	(27,487)		158,480
Finland	20,470	1,227,983	1,248,453	7,464		7,464	13,006		1,240,989
France	14,199,738		14,199,738	14,594,177 a/		14,594,177	(394,439)		(394,439)
Germany	9,613,211	6,408,807	16,022,018	9,875,418	4,754,039	14,629,457	(262,207)	1,654,768	1,392,561
Gibraltar			0	348		348	(348)		(348)
Greece	578,861	9,826	588,687	4,302	703,397	707,699	574,559	(693,571)	(119,012)
Hong Kong	1,481,697	747,061	2,228,758	1,054,699 a/		1,054,699	426,997		1,174,059
Hungary	31,485		31,485			0	31,485		31,485
Italy	9,843,251	1,057,364	10,900,615	11,476,142 a/	951,446	12,427,588	(1,632,891)	105,918	(1,526,973)
Japan	15,810,649	6,984,597	22,795,246	1,549,090 a/		1,549,090	14,261,560		21,246,156
Korea	1,526,837	462,515	1,989,352			0	1,526,837		1,989,352
Luxembourg	226,764	141,838	368,602	57,027		57,027	169,737		311,575
Netherlands		3,242,144	3,242,144	4,939,070 a/	1,931,182	6,870,252	(4,939,070)	1,310,962	(3,628,108)
New Zealand	105,289	62,432	167,721	57,279		57,279	48,010		110,442
Norway	22,376	51,160	73,536	429		429	21,947		73,107
Portugal	151,104	270,086	421,190	117,473 a/	274,666	392,139	33,631	(4,580)	29,051
Slovakia	397		397			0	397	0	397
Spain			0	82,387		82,387	(82,387)		(82,387)
Sweden	17,650	186,588	204,238	106,912	423,748	530,660	(89,262)	(237,160)	(326,422)
Switzerland	4,072,529	3,799,154	7,871,683	2,739,073		2,739,073	1,333,456		5,132,610
Turkey	9,883		9,883	6,542		6,542	3,341		3,341
United Kingdom	149,254	4,591,200	4,740,454	462,685	518,755	981,440	(313,431)	4,072,445	3,759,014
United States		8,885,335 b/	8,885,335	129,950	13,130,198 a/	13,260,148	(129,950)	(4,244,863)	(4,374,813)
	59,168,429	38,444,553	97,612,982	48,635,546	22,687,431	71,322,977	10,532,883	15,757,122	26,290,005

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Annex II (continued)

	1993			1992			Variance Increase (decrease)		
	General resources	Supplementary funds	Total	General resources	Supplementary funds	Total	General resources	Supplementary funds	Total
Field offices									
Argentina		441,806	441,806			0	0	441,806	441,806
Bermuda	114		114			0	114	0	114
Brazil		1,082,064	1,082,064		347,997 a/	347,997	0	734,067	734,067
Cyprus	16,795		16,795	32,827 a/		32,827	(16,032)	0	(16,032)
Ecuador	846	15,242	16,088	2,812 a/		2,812	(1,966)	15,242	13,276
Haiti	184		184			0	184	0	184
Malaysia	10,268		10,268	9,178 a/		9,178	1,090	0	1,090
Madagascar	783		783			0	783	0	783
Republic of Korea			0	1,463,908 a/	39,116	1,503,024	(1,463,908)	(39,116)	(1,503,024)
Mexico		427,748	427,748	93,612		93,612	(93,612)	427,748	334,136
Singapore	7,679	67,438	75,117		38,914 a/	38,914	7,679	28,524	36,203
Trinidad	1,669		1,669	1,491 a/		1,491	179	0	179
Turkey			0	23,903 a/		23,903	(23,903)	0	(23,903)
Venezuela	4,092		4,092			0	4,092	0	4,092
	42,431	2,034,298	2,076,730	1,627,731	426,027	2,053,758	(1,585,300)	1,608,272	22,972
Total net proceeds	59,210,860	40,478,851 b/	99,689,712 b/	50,263,278	23,113,458	73,376,735	8,947,583	17,365,394	26,312,976

a/ Includes contributions from special fund-raising events.

b/ Excludes $17.6 million gifts in kind.